ANNUAL REPORT

FOR THE YEAR ENDED
MARCH 31, 1981

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NEWFOUNDLAND

MEDICAL CARE COMMISSION

104-01145/

DEPARTMENT OF HEALTH

St. John's, October, 1981

TO THE HONOURABLE DR. W. ANTHONY PADDON,
Lieutenant Governor of Newfoundland and Labrador.

May it please your Honour:

I have the honour to present the Annual Report of the Newfoundland Medical Care Commission for the year ended March 31, 1981.

Your obedient servant,

H. WALLACE HOUSE,
Minister of Health.

NEWFOUNDLAND MEDICAL CARE COMMISSION

St. John's, October, 1981

TO THE HONOURABLE H. WALLACE HOUSE,
Minister of Health.

Honourable Sir:

I am pleased to present the Annual Report of the Newfoundland Medical Care Commission for the year ended March 31, 1981.

Respectfully submitted,

ROGER M. CROSBIE,
Chairman.

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HIGHLIGHTS OF 1980 - 81 REPORT

- A fee schedule increase of 15% was negotiated with the Newfoundland Medical and Newfoundland Dental Associations effective April 1, 1980.

- A major revision of the MCP Payment Schedule was completed with implementation of the new schedule on January 1, 1981.

- Payments for insured services totalled $37,333,521 an increase of 18.5% over the previous year.

- Volume of services increased by 3.6% to 2,879,338.

- Administrative expenses totalled $1,619,255 or 4.15% of total program expenditure.

- At year end the number of physicians registered with MCP had increased by 25 to 695 of whom 466 were in private practice.

THE NEWFOUNDLAND MEDICAL CARE INSURANCE PLAN

the plan

The Newfoundland Medical Care Insurance Plan (MCP) provides coverage of medical services for all bona fide residents of the province. The plan is administered by the Newfoundland Medical Care Commission, in accordance with Section 4 of the Newfoundland Medical Care Insurance Act, Chapter 265 of the Revised Statutes of Newfoundland, 1970, and the Commission is responsible to the Minister of Health.

The Medical Care Insurance Fund, authorized under Section 29 of the Act, is funded from money voted by the legislature of Newfoundland. The Commission's fiscal period is April 1 to March 31 and its financial position relative to cost is reported on a full accrual basis.

The legislative framework of the plan is set out in the Medical Care Insurance Act, amendments to that Act and its various regulations. The Commission is appointed by the Lieutenant Governor in Council.

Medical Care Plan beneficiaries have freedom of choice as to which physician they consult. Physicians may either participate in the plan or opt out. A participating physician invoices MCP in accordance with a negotiated payment schedule. A non-participating physician may bill the patient (beneficiary) directly at rates which may be greater than those listed in the MCP Payment Schedule. MCP then reimburses the patient at payment schedule rates and the patient is responsible for any difference.

Insured services rendered to MCP beneficiaries outside the province are paid at MCP Payment Schedule rates. If the amount billed exceeds the amount payable, payment of the difference becomes the patient's responsibility.

Physicians' services insured under the plan are set out in the Newfoundland Medical Care Insurance (Insured Services) Regulations. These include:

- Visits in the office, hospital or home.
- Care and treatment before, during and after operations, including anaesthesia.
- Complete maternity care.
- Eye examinations performed by a physician.
- Specified surgical-dental procedures medically required to be performed in a hospital.

At March 31, 1981 non-insured services included:

- Examinations not necessitated by illness or at the request of a third party; e.g. annual check-up, employment medical, pre-school medical, etc.
- The difference between general practice and specialist rates for non-referred visits to a specialist.
- The services of optometrists, chiropractors, podiatrists, osteopaths, physiotherapists, nurses or other para-medical personnel.
- Plastic or other surgery for cosmetic purposes.
- Advice given by a physician to a beneficiary by telephone.
- Eye glasses, hearing aids, surgical appliances, wheelchairs, crutches, artificial limbs, etc.
- Drugs and vaccines.
- Transportation, mileage charges and ambulance charges.
- Services available to a resident under legislation covering Newfoundland Hospital Insurance, Workers' Compensation, Department of Veterans' Affairs, Royal Canadian Mounted Police and Canadian Armed Forces.

organization

COMMISSION

The Newfoundland Medical Care Commission was established in accordance with Section 4 of the Newfoundland Medical Care Insurance Act, 1968. The Commission, consisting of not less than five voting members, has the mandate of administering the Medical Care Plan for the eligible residents of Newfoundland.

Each voting member of the Commission holds office for a term prescribed by the Lieutenant Governor in Council. Three of the voting members are appointed from a list submitted to the Minister of Health by the Newfoundland Medical Association.

At March 31, 1981 the Commission was comprised as follows:-

CHAIRMAN	Roger Crosbie
VICE-CHAIRMAN	H.J. Blackwood, M.D.
MEMBERS	Mrs. Amy Burden
	William Collins
	James Finn
	Stephen Gallagher
	Mrs. Vera MacDonald
	Ronald Smith
	P.A. Spurrell, M.D.
	James Walsh
	I.R. Woolfrey, M.D.
EX-OFFICIO MEMBERS	R. O. Peddigrew Executive Director
	Ambrose Hearn Assistant Deputy Minister of Health

The Commission met on a monthly basis throughout the year to deal with a variety of policy, legislative and operational matters.

The following issues affecting beneficiaries and/or providers of service were dealt with:

- Amendment of the Medical Care Act and Regulations to permit referral to specialists by optometrists or by other authorized persons.

- Revision of Commission policy with respect to payment of out of province claims. The new policy provides that when services are required which are not available in Newfoundland but are available elsewhere in Canada, payment will be in accordance with the schedule of fees which applies in the province where treatment is received or is available. When services are not available in Canada, the rate applicable in the jurisdiction where rendered will apply. Services which are available in Newfoundland will be paid at MCP rates, regardless of where they are rendered.

- MCP coverage of non-Canadian temporary workers and dependents was restricted to persons holding work permits which are valid for at least twelve months.

In view of the fact that many of the issues requiring Commission review are of an on-going nature, a large segment of its work is accomplished by means of a number of standing committees.

Following is a summary of committee activities:

- **Joint Liaison Committee** - With equal representation from both the Newfoundland Medical Association and MCP, the mandate of this Committee is to address and resolve issues of a general nature which are of concern to either or both organizations. Its activity in 1980-81 was largely displaced by that of the Special Committee on Physician Remuneration.

- **Medical Advisory Committee** - The purpose of this Committee is to deal with complex or contentious medical claims which have been referred to it by MCP's Medical Affairs Department. The Committee is comprised of representatives of the Newfoundland Medical Association and MCP's Medical Director. Meetings were held as required with effective recommendations being made on all claims presented for review.

- **Dental Advisory Committee** - During the past year this Committee, comprised of representatives of the Newfoundland Dental Association and MCP's Medical Director, provided expertise in the areas of dental claims assessment, payment review and tariff development.

• **Consultants Committee** - The function of this Committee is to review profiles of physicians' practices, elicit explanations of variations in patterns of practice and recommend necessary action to the Commission. The Committee is nominated by the Medical Association but is responsible to the Commission. In 1980-81 monthly meetings were held at which deviations were explored and evaluated. Physicians were advised of changes warranted in their patterns of practice and good results were obtained.

• **Tariff Development Committee** - The function of this MCP Committee is to continually monitor the MCP Payment Schedule and to consider and recommend to the Commission changes in rates or preamble interpretations. The Committee was busy throughout 1980-81 with the application of Payment Schedule changes in accordance with the recommendations of the Special Committee on Physician Remuneration.

• **Special Committee on Physician Remuneration** - This Committee was originally appointed by the Premier in 1979 to study all aspects of physician remuneration and patient participation. The Committee, composed of representatives of the Newfoundland Medical Association, MCP, the Department of Health and the Provincial Treasury Board, continued its work in accordance with a series of recommendations which had been made in its report to the Premier in March, 1980.

Negotiations which followed the Committee's report resulted in an MCP Payment Schedule increase of 15% effective April 1, 1980. Ten of the fifteen percentage points were applied in combination with the previous year's 8% giving an 18.8% increase in payments made according to the 1978 Payment Schedule. Over the year a major Payment Schedule review was completed and the additional five percentage points were paid as a retroactive amount when the revised MCP Payment Schedule became effective on January 1, 1981.

Surgical-dental services were also reviewed and a similar pattern of increase was adopted using the same percentage points.

At year end payments for insured services rendered on or after January 1, 1981 were being made according to the rates and guidelines of the revised MCP Payment Schedule.

• **Budget/Finance Committee** - This internal Committee is comprised of the Chairman, two Commission members, the Executive Director and the Manager of Finance and Administration. Its primary function is to prepare and present detailed Estimates of Revenue and Expenditure for all Commission operations. Other functions include monitoring of Commission cash flow and review of the report and recommendations of the Auditor General.

EXECUTIVE

The Executive Director, Robert O. Peddigrew, is the chief executive officer of the Commission and is responsible for the general direction, supervision and control of the business of the Commission. He reports to the Commission through the Chairman.

The Commission's executive also includes Gregory F. Russell, M.D. as Medical Director. In addition to his internal role as director of Medical Affairs, the Medical Director acts as chief liaison officer in dealings with the medical and dental professions.

FINANCE AND ADMINISTRATION DEPARTMENT

The Commission's financial and general administrative operations are conducted by a staff of ten employees under the direction of the Manager of Finance and Administration.

- The financial division's functions include budgeting, accounting and financial reporting. The scheduled monthly financial statements enable the Commission to monitor the costs of medical services and plan administration.

- The administration division provides printing, purchasing, mail and messenger service for MCP. General functions include maintenance of personnel and payroll records.

- Audited financial statements, which form part of this report, detail the results of the Commission's financial operations for the year ended March 31, 1981.

SYSTEMS AND INFORMATION DEPARTMENT

This Department is responsible for all computer facilities required by MCP. This includes research and development of new facilities as well as activity required to maintain existing facilities. It is further responsible for the guidance, development and maintenance of the MCP Information and Statistics Program. The tertiary function of the Department of Systems and Information is in the research, development and implementation of new programs and functions undertaken by MCP.

- A major project was conducted in 1980-81 to evaluate and define a data processing system to meet MCP's increased data handling requirements.

  Having determined that a Distributed Data Processing System would best answer these needs, at year end the Systems and Information Department was ready to pursue the development and implementation of the new system. This will consist

of a computer installation at MCP capable of allowing direct local access and utilization of information processed and stored at Newfoundland and Labrador Computer Services.

- The position of Human Resources Consultant was filled in January 1981. Major functions of this position will include complete documentation of all MCP policy, systems and procedures; design, presentation and/or co-ordination of all staff training; design and co-ordination of an employee development program.

  Projects were initiated to revise and update the Physician's Information Manual; an anatomy and physiology course was co-ordinated through the Public Service Commission; and management and supervisory seminars were conducted to prepare for the implementation of the planned computer system.

  A preliminary structure of a Human Resources Program aimed towards improving staff productivity was also defined.

- The statistics section of this Department has expanded its role in the definition and generation of statistical reports. Through training courses this section has developed the ability to generate computer reports without external technical involvement. This has extended the statistical information services provided to MCP and effectively reduced the cost of this service.

  As facilities for extraction and manipulation of data improve, the statistical section will play a more effective role in the development and generation of statistical information within MCP.

CLAIMS PROCESSING DEPARTMENT

This Department consists of four divisions: Public Services (including responsibility for beneficiary registration), Claims Edit, In-Province Claims Assessing and Out-of-Province Claims Assessing.

- Over the past year activity was mainly concentrated in the areas of public relations, systems development and analysis of existing methods and procedures.

- The Public Services Division continued its efforts to provide direct service to the public by setting up MCP Information Booths in selected areas of the province. This form of contact proved to be mutually beneficial in that it provided an opportunity to obtain information from beneficiaries which could be used in updating Commission files, while at the same time providing immediate response to problems presented.

Based on the success of this venture, plans are being made to extend this service to other parts of the province.

- An updated MCP Information Brochure was made available to the general public in April, 1980.

- Early in 1980, a system of direct entry of registration data via computer terminals was implemented in the Public Services Division. This new method of updating the beneficiary master-file is both faster and more economical than the method formerly employed.

- An advertisement concerning the importance of presenting MCP cards at each visit to a physician's office was placed in newspapers across the province. The ad provided a clipout card replacement form which was used by 1500 residents to request new cards.

- A review of the method of producing MCP cards resulted in the purchase of a new embossing machine. The new machine allows faster production of cards and can be computer-driven for high volume production.

- On January 1, 1981 the medical plans of the four Atlantic Provinces adopted a common out-of-province claim form to replace the four individual forms which were in use up until that time.

  The new form, proposed by the Newfoundland Medical Care Commission, is designed to simplify and accelerate the claiming process for travelling beneficiaries who incur medical treatment.

MEDICAL AFFAIRS DEPARTMENT

This Department is responsible for all matters relating to MCP Payment Schedule development and revision.

Other major functions include operation of the Commission's medical audit program, assessment of complex or contentious claims and liaison with physicians and their office staffs on matters of policy and procedure.

- The Claims Review Division is responsible for review and verification of claims which have met all processing criteria and have been paid. Routine medical audit activities consist of patient verification of services claimed, cross-checks to determine whether services are the responsibility of another agency, review of billing and utilization patterns and investigation of third party responsibility.

When results of routine audit indicate deviation from normal patterns, detailed investigations are conducted.

These efforts resulted in recovery of $40,494.92 in 1980-81 for claims which were determined to have been the responsibility of other agencies. An additional $6,549.50 was recovered with respect to services which were paid but later determined to have been claimed incorrectly.

- A total of $30,749.00 was recovered from parties deemed to be liable for medical services rendered to Newfoundland residents and paid by MCP.

- No purposeful misbillings were defined.

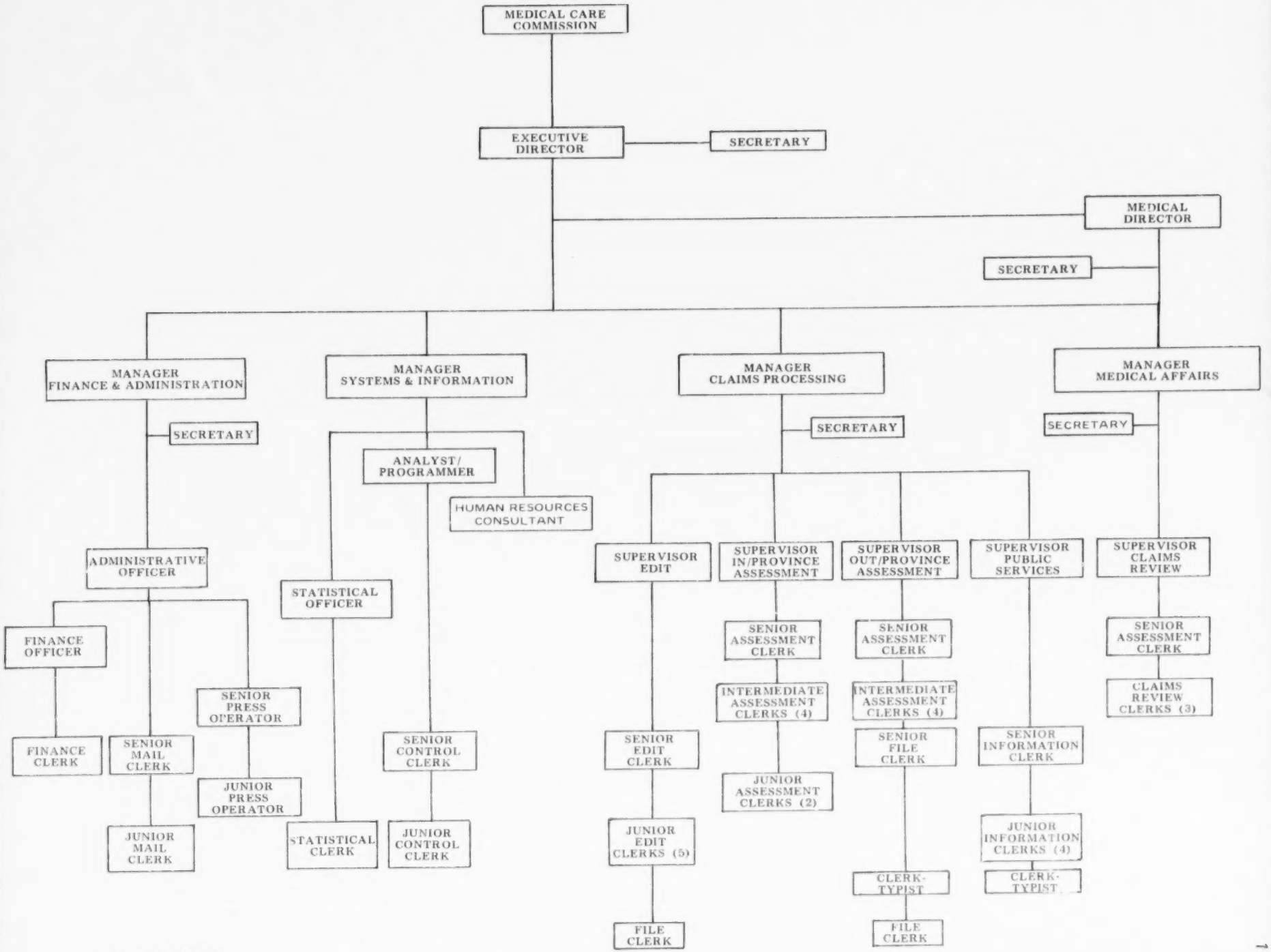
- The Manager of Medical Affairs and the Medical Director continued to provide assistance to the In-Province and Out-of-Province Divisions in the assessment of difficult and contentious claims.

- During the year a major effort was made to correct disparities which existed within the MCP Payment Schedule. Significant progress was made towards achievement of relative value within the schedule by applying one third of the total negotiated increase to undervalued services and under-manned specialties. The remaining two-thirds was applied as a general increase to all remaining fees.

  In addition to the immediate effect of giving greater recognition to the value of services which had not kept pace with those which are more commonly performed, it is anticipated that these adjustments will prove to be a positive step in the recruitment of specialists to the province.

  Copies of the revised MCP Payment Schedule had been received by all fee-for-service physicians and dentists by the implementation date of January 1, 1981.

- The Manager of Medical Affairs and the Manager of Claims Processing visited the offices of fee-for-service physicians outside St. John's. These visits were designed to assist in resolving any problems related to medical service claiming.



MARCH, 31, 1981

CLAIMS PROCESSING

Claim forms designed to meet Optical Character Reader (OCR) standards are provided by the Commission to both opted-in and opted-out physicians. Services are hand-coded by the physician in accordance with instructions provided at the time of registration. Periodic follow-up training is also conducted.

The claim form is designed so that the physician may provide information about himself, the patient and the services(s) rendered to allow a thorough computer assessment of the items claimed.

Claims are received, counted, date stamped and batched for daily processing.

The claims are forwarded three times per week to the computer centre, where they are optically scanned and edited. Approximately 14% of the 41,000 documents processed each week are rejected for failure of edit rules. In the system, more than 65 edit checks are applied. Of the more than one hundred million characters of hand-coded data which are read by the optical character reader each year, less than 1% reject because of poor figure formation.

Approximately 85% of all rejected claims are corrected by MCP staff, while the remainder are returned to physicians for further clarification or correction.

Those claim forms which comply with the edit rules are sequentially numbered by the optical reader for future reference and returned to MCP for microfilming.

Magnetic tapes containing the accepted claim information then become input to a daily assessment program. This program performs a series of tests (32 rules) on the physician and fee claimed.

Claim items which fail physician and fee assessment are printed on turnaround documents. These documents provide all the information contained on the original claim forms including the reference number. Turnaround documents are then assigned to junior assessment clerks, who either correct the items which failed and re-enter the turnaround documents or return the original claims to the physician with an explanatory letter.

The items which pass physician and fee assessment are stored for a further assessment of patient history on a weekly basis. Again, items which fail at this point generate turnaround documents for review by assessors. There are more than seventy criteria checks applied at the patient history stage.

Claim items which satisfy all criteria of the weekly patient assessment program are stored until month end, at which time weekly tapes are used to generate physician and patient cheques.

The flow of all data is controlled and recorded by the Control section.

Original source documents and recent turnaround documents are kept on file for three months while copies of older claim forms, turnaround documents and adjustment forms are available from microfilm.

MASTERFILE MAINTENANCE

The major portion of the masterfile maintenance system is devoted to updating both the patient master and patient history files. These files contain information which permits determination of eligibility and accurate assessment of claims.

Patient registration, change and lost card request forms are received by the Public Services office on a daily basis. Each week information contained on the forms is forwarded, via a computer terminal, to Newfoundland and Labrador Computer Services where the patient master and patient history files are updated.

STATISTICS

The MCP statistics system generates statistical reports and summary files on a recurring monthly, quarterly and annual basis.

The source of data for these reports and files is the claims processing payment file.

Special one time requirements are met through manual manipulation and summary of this information or special one-time computer programs.

All statistical files and reports produced are subject to control procedures which balance statistical report(s) against claims processing system controls. This is done to assure the integrity and meaning of these reports.

DEPARTMENT OF THE AUDITOR GENERAL
ST. JOHN'S, NEWFOUNDLAND

AUDITOR'S REPORT

To the Chairman and Members,
The Newfoundland Medical Care
Commission,
St. John's, Newfoundland.

I have examined the balance sheet of the Newfoundland Medical Care Commission as at 31 March 1981 and the statement of revenue and expenditure for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Commission as at 31 March 1981 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

J. F. MCGRATH, C.A.,
Auditor General.

St. John's, Newfoundland
7 May 1981

NEWFOUNDLAND MEDICAL CARE COMMISSION
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31 MARCH 1981

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STATEMENT 1

NEWFOUNDLAND MEDICAL CARE COMMISSION
BALANCE SHEET
31 MARCH 1981

	1981	1980
ASSETS		
Cash	$ 200	$ 119,149
Accounts receivable:		
Due from the Province of Newfoundland	1,546,000	—
Net deficit due from the Province of Newfoundland (Note 2)	4,587,529	4,222,039
Third party liability recovery	3,180	5,317
Prepaid expense	31,657	42,967
Total assets	$6,168,566	$4,389,472
LIABILITIES		
Bank overdraft	$1,187,034	$ —
Accounts payable and accrued liabilities	151,152	113,935
Liability for presented and processed claims	3,374,473	2,745,068
Estimated liability for unpresented and unprocessed claims	1,455,907	1,530,469
Total liabilities	$6,168,566	$4,389,472

Signed on behalf of the Commission

R. M. CROSBIE
Chairman

R. O. PEDDIGREW
Executive Director

See accompanying notes

STATEMENT 2

NEWFOUNDLAND MEDICAL CARE COMMISSION
STATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED 31 MARCH 1981

	1981	1980
Revenue:		
Contributions - Province of Newfoundland	$38,546,000	$31,500,000
Third party recoveries	30,749	36,921
Miscellaneous	10,537	11,888
Total revenue	$38,587,286	$31,548,809
Expenditure:		
Cost of insured services -		
Physicians -		
Fee for service (opted-in)	$35,181,942	$29,535,117
Fee for service (opted-out) and out-of-province	747,588	577,765
Dental surgery	478,551	423,329
Sessional payments	910,440	962,150
Payments in lieu of fee for service	15,000	15,000
	37,333,521	31,513,361
Administrative expenditure (Schedule 1)	1,619,255	1,434,460
Total expenditure	$38,952,776	$32,947,821
Net deficit for the year	$ 365,490	$ 1,399,012

See accompanying notes

SCHEDULE 1

NEWFOUNDLAND MEDICAL CARE COMMISSION
ADMINISTRATIVE EXPENDITURE
FOR THE YEAR ENDED 31 MARCH 1981

	1981	1980
Computer costs		
Claims processing	$ 342,111	$ 300,217
Redevelopment	26,782	–
	368,893	300,217
Salaries	901,407	793,133
Commission fees	12,436	10,401
Consultants' fees	–	4,275
Office supplies	75,526	83,753
Microfilming	3,673	444
Postage and telephone	46,822	45,418
Electricity	3,507	3,645
Interest and bank charges	5,341	7,703
Furniture and equipment	39,434	6,816
Office rental	114,948	115,864
Equipment rental	9,103	12,753
Leasehold improvements	1,745	19,279
Travelling	13,369	11,021
Cleaning	6,629	5,059
Miscellaneous	16,422	14,679
Total administrative expenditure	$1,619,255	$1,434,460

See accompanying notes

NEWFOUNDLAND MEDICAL CARE COMMISSION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1981

1. **Accounting policies**

   (a) In accordance with Section 3 of the Newfoundland Medical Care Insurance (Amendment) Act, 1974, the Province of Newfoundland is liable for any deficit of the Commission from money voted by the Legislature. As a result, the net accumulated deficit to 31 March 1981 of $4,587,529 has been recorded as due from the Province of Newfoundland.

   (b) The Commission recognizes unclaimed services rendered prior to 31 March 1981 by estimating the cost of unpresented and unprocessed claims at 31 March 1981. This estimate is based on an age analysis of payments for the year by date of service. Accordingly, the estimated liability for unpresented and unprocessed claims at 31 March 1981 is $1,455,907.

   (c) The Commission follows the practice of expensing fixed assets in the year of acquisition. The total of the fixed assets acquired and under control of the Commission to 31 March 1981 is $140,780 (1980 - $101,346).

2. **Net deficit due from the Province of Newfoundland**

   The net deficit is comprised of deficits for the following years:

Year ended 31 March 1978	$2,609,616
1979	213,411
1980	1,399,012
	4,222,039
1981	365,490
	$4,587,529

STATISTICAL TABLES

TABLE 1

DISTRIBUTION OF PAYMENTS BY TYPE OF PAYMENT BY SPECIALTY 1980-81
(BY DATE OF PAYMENT)

Specialty	Physicians* & Dentists	Fee-For-Service Payments	Sessional Payments	Total	% Total Payments
General Practice	340	$17,260,401	$502,474	$17,762,875	48.3
Anaesthesia	29	1,580,117	166,834	1,746,951	4.7
Dermatology	2	92,131	–	92,131	0.3
Surgery (General, Plastic & Neuro.)	46	3,669,672	64,616	3,734,288	10.1
Internal Medicine	52	3,473,851	38,072	3,511,923	9.5
Neurology	7	271,541	23,215	294,756	0.8
Obstetrics & Gynaecology	20	1,838,017	–	1,838,017	5.0
Ophthalmology	16	779,646	52,726	832,372	2.3
Orthopaedic Surgery	10	1,050,283	37,434	1,087,717	3.0
Otolaryngology	5	706,552	–	706,552	1.9
Paediatrics	30	1,417,661	44,072	1,461,733	4.0
Psychiatry	24	2,010,698	31,588	2,042,286	5.5
Urology	8	678,606	8,838	687,444	1.9
Total Physicians	**589**	**$34,829,176**	**$969,869**	**$35,799,045**	**97.3**
Dental Surgery	61	479,498	–	479,498	1.3
Out of Province	–	514,358	–	514,358	1.4
Totals	**650**	**$35,823,032**	**$969,869**	**$36,792,901**	

* All physicians and dentists who received an MCP payment during the fiscal year (including locums)

TABLE 2

ITEMS OF SERVICE BY SPECIALTY BY TYPE OF SERVICE 1980-81
(BY DATE OF SERVICE)

Specialty	Consultations & Assessments	Office Visits	Home Visits	Hospital Visits	Diagnostic Therapeutic Procedures	Obstetrics	General Surgery	Time* Units	Dental Surgery	Totals	% of Total
General Practice	108,116	1,346,383	81,965	228,694	58,759	11,732	33,461	64,517	1,451	1,935,078	68.8
Anaesthesia	498	272	-	343	3,696	1,693	18,258	98,797	2,689	126,246	4.5
Dermatology	2,494	627	1	1,670	168	-	304	-	-	5,264	0.2
General Surgery	23,170	8,237	1,061	27,239	576	65	19,544	2,011	67	81,970	2.9
Internal Medicine	33,305	9,074	74	98,953	26,973	-	4,132	-	-	172,511	6.1
Neurology	5,033	14	3	5,113	8	-	5	-	-	10,176	0.4
Neurosurgery	3,005	263	-	3,770	8	-	608	6	1	7,661	0.3
Obstet. & Gynae.	16,366	14,013	73	10,388	249	7,320	7,530	204	-	56,143	2.0
Ophthalmology	23,090	7,120	2	1,362	292	-	1,083	-	-	32,949	1.2
Orthopaedic Surgery	16,033	4,393	1	14,918	774	-	4,915	19	-	41,053	1.5
Otolaryngology	13,563	8,273	2	1,353	2,318	-	6,114	21	2	31,646	1.1
Paediatrics	21,490	11,737	321	38,173	47,940	1	342	16	-	120,020	4.2
Plastic Surgery	2,384	556	2	3,032	11	-	2,069	-	78	8,132	0.3
Psychiatry	12,325	43,323	325	57,624	2,104	-	-	-	-	115,701	4.1
Urology	7,762	1,576	-	5,007	625	-	5,523	504	-	20,997	0.7
Dental Surgery	-	-	-	-	-	-	2	-	47,325	47,327	1.7
Totals	**288,634**	**1,455,861**	**83,830**	**497,639**	**144,501**	**20,811**	**103,890**	**166,095**	**51,613**	**2,812,874**	
% of Totals	**10.3**	**51.7**	**3.0**	**17.7**	**5.2**	**0.7**	**3.7**	**5.9**	**1.8**		

*Units of fifteen minutes spent in anaesthesia and surgical assistance

TABLE 3

AVERAGE GROSS PAYMENTS TO FEE-FOR-SERVICE PHYSICIANS 1980-81

	FULL-TIME [1]		ACTIVE [2]		$20,000 PLUS [3]		ALL-PHYSICIANS [4]	
GENERAL PRACTICE	(164)	$ 92,440	(198)	$ 84,328	(208)	$ 83,658	(260)	$ 68,197
St. John's	(65)	81,973	(76)	76,081	(82)	73,385	(108)	57,159
Corner Brook	(16)	95,825	(18)	90,574	(18)	90,574	(20)	82,091
Grand Falls	(8)	107,472	(11)	92,034	(12)	90,817	(14)	78,222
Carbonear	(6)	102,234	(7)	90,296	(6)	102,234	(7)	90,296
Labrador	(4)	92,125	(6)	66,638	(6)	79,129	(11)	45,611
Gander	(10)	92,865	(11)	87,282	(11)	87,282	(15)	65,293
Other Districts	(55)	100,515	(69)	91,013	(73)	90,617	(85)	78,917
ANAESTHESIA - Certified	(5)	100,435	(12)	69,990	(14)	66,301	(16)	58,893
Non - Certified	(7)	81,590	(9)	73,440	(10)	71,093	(10)	71,093
MEDICAL SPECIALISTS	(45)	111,332	(84)	83,798	(86)	83,594	(109)	67,712
Dermatology	(1)	*	(1)	*	(1)	*	(2)	46,066
Internal Medicine	(22)	104 549	(41)	81,962	(42)	82,231	(51)	68,855
Neurology	(2)	117,239	(4)	65,942	(3)	85,657	(7)	42,108
Paediatrics	(9)	95,570	(20)	69,047	(21)	66,431	(28)	52,189
Psychiatry	(11)	140,221	(18)	108,948	(19)	105,821	(21)	96,234
SURGICAL SPECIALISTS	(59)	126,675	(77)	110,576	(78)	111,627	(95)	92,746
Surgery - Plastic	(2)	164,930	(2)	164,930	(2)	164,930	(2)	164,930
- Neuro	(1)	*	(2)	79,640	(3)	93,583	(3)	93,583
- General	(20)	125,225	(29)	104,243	(28)	108,618	(37)	83,810
Obstetrics & Gynaecology	(10)	139,475	(16)	111,727	(16)	113,295	(20)	91,901
Ophthalmology	(7)	105,968	(7)	105,968	(8)	96,192	(10)	77,965
Otolaryngology	(4)	175,180	(4)	175,180	(4)	175,180	(5)	141,311
Orthopaedic Surgery	(9)	120,513	(9)	120,513	(9)	120,513	(10)	108,772
Urology	(6)	97,682	(8)	85,931	(8)	85,931	(8)	85,931
ALL SPECIALISTS	(116)	116,872	(182)	93,704	(188)	93,273	(230)	77,586
ALL PHYSICIANS	(280)	102,562	(380)	88,818	(396)	88,223	(490)	72,604

1. All physicians who received a minimum of eleven monthly payments totalling more than $20,000, excluding full-time at Memorial University.
2. All physicians who received a minimum of $5,000 in the fourth fiscal quarter.
3. All physicians who received more than $20,000.
4. All physicians whose major form of payment was through fee-for-service.

( ) Denotes numbers of physicians

Latest federal statistics indicate that 33% of the above amounts were consumed by physicians' overheads.

TABLE 4

LEVEL OF GROSS PAYMENTS TO FULL-TIME FEE-FOR-SERVICE PHYSICIANS BY SPECIALTY 1980-81

	$ 25,001-50,000	50,001-75,000	75,001-100,000	100,001-125,000	125,001-150,000	150,001-175,000	175,001-200,000	200,001-225,000	225,001-250,000	Totals
Anaesthesia	-	1	8	3	-	-	-	-	-	12
Dermatology	-	-	-	-	-	-	-	-	-	1
Surgery (General, Plastic & Neuro.)	1	-	4	8	5	2	1	2	-	23
Internal Medicine	2	1	8	7	2	-	2	-	-	22
Neurology	-	-	1	-	1	-	-	-	-	2
Obstet. & Gynae.	-	-	-	4	3	1	1	1	-	10
Ophthalmology	-	1	1	5	-	-	-	-	-	7
Otolaryngology	-	-	1	-	-	1	-	1	1	4
Orthopaedic Surgery	-	1	1	2	4	-	1	-	-	9
Paediatrics	-	1	5	1	2	-	-	-	-	9
Psychiatry	-	-	-	5	3	-	3	-	-	11
Urology	-	-	4	2	-	-	-	-	-	6
Sub-Totals	**3**	**5**	**33**	**37**	**20**	**4**	**8**	**4**	**1**	**116**
General Practice	11	25	67	41	17	2	1	-	-	164
Totals	**14**	**30**	**100**	**78**	**37**	**6**	**9**	**4**	**1**	**280**
% of Totals	**5.0**	**11.1**	**35.7**	**27.9**	**13.2**	**2.1**	**3.2**	**1.4**	**0.4**	

TABLE 5

PHYSICIANS AND DENTISTS REGISTERED BY DISTRICT WITH MCP AS OF MARCH 31, 1981

DISTRICTS	PRIVATE PRACTICE	SALARIED	RADIOLOGY	PATHOLOGY	ADMIN.	TOTAL PHYSICIANS	DENTISTS
Baie Verte	-	10	1	-	-	11	3
Bell Island	1	2	-	-	-	3	1
Bonavista	-	8	-	-	-	8	4
Bonne Bay	-	5	-	-	-	5	-
Botwood	-	8	-	-	-	8	-
Brookfield	-	5	-	-	-	5	1
Buchans	-	3	-	-	-	3	-
Burgeo	-	4	-	-	-	4	1
Burin Peninsula	7	10	-	-	-	17	3
Carbonear	24	2	1	-	-	27	5
Clarenville	8	-	-	-	-	8	2
Come By Chance	2	3	-	-	-	5	-
Conception Bay South	12	-	-	-	-	12	2
Corner Brook	43	5	1	1	1	51	9
Deer Lake	5	1	-	-	-	6	-
Fogo	-	1	-	-	-	1	-
Gander	21	13	-	1	-	35	4
Grand Falls	30	1	2	-	-	33	6
Harbour Breton	-	5	-	-	-	5	1
Labrador	12	1	-	-	-	13	2
Labrador (I.G.A.)	-	16	-	-	-	16	-
Whitbourne	1	5	-	-	-	6	4
Musgravetown	2	-	-	-	-	2	-
Old Perlican	-	2	-	-	-	2	-
Placentia	3	3	-	-	-	6	1
Port aux Basques	5	3	-	-	-	8	2
Southern Shore	7	-	-	-	-	7	2
Springdale	4	3	-	-	-	7	3
St. Anthony (I.G.A.)	-	19	-	1	-	20	1
Stephenville	7	11	-	-	-	18	3
St. John's	268	39	10	5	14	336	32
Torbay-Portugal Cove	2	-	-	-	-	2	-
Twillingate	2	3	-	-	-	5	1
TOTALS	466	191	15	8	15	695	93

TABLE 6

PHYSICIANS AND DENTISTS REGISTERED BY SPECIALTY WITH MCP AS OF MARCH 31, 1981

	PRIVATE PRACTICE	RETIRED	SEMI RETIRED	SALARIED PRACTICE	ADMIN.	FULL TIME TEACHING	TOTAL
General Practice	232	1	1	176	9	7	426
Anaesthesia (Certified)	7	-	-	-	-	6	13
Anaesthesia (Non-Certified)	10	-	-	-	-	-	10
Dermatology	2	-	-	-	-	-	2
General Surgery	29	3	1	5	1	7	46
Internal Medicine	32	-	-	1	3	21	57
Neurology	3	-	-	-	-	3	6
Neurosurgery	2	-	-	-	-	-	2
Obstet. & Gynae.	13	-	-	-	-	4	17
Ophthalmology	9	-	-	-	-	-	9
Orthopaedic Surgery	8	-	-	1	-	1	10
Otolaryngology	7	-	-	1	-	-	8
Paediatrics	15	-	-	3	-	11	29
Plastic Surgery	2	-	-	-	-	-	2
Psychiatry	13	-	-	4	2	8	27
Urology	7	-	-	-	-	1	8
SUB TOTAL	391*	4*	2*	191	15	69*	672
Dentistry	88	-	-	4	-	-	92
Oral Surgery	1	-	-	-	-	-	1
Pathology	-	-	-	4	-	-	4
Pathology (Non-Certified)	-	-	-	4	-	-	4
Radiology	5	-	-	4	-	1	10
Radiology (Non-Certified)	3	-	-	2	-	-	5
TOTAL	**488**	**4**	**2**	**209**	**15**	**70**	**788**

Note *Total of these figures = Private Practice in Table 5

TABLE 7

FEE-FOR-SERVICE PATIENT SERVICE LEVELS 1980-81

Number of Services Per Patient	Number of Patients	% of Total Patients
1-5	240,423	63.7
6-10	77,219	20.4
11-15	31,287	8.3
16-19	12,209	3.2
20+	16,662	4.4
	377,800	

Number of Physicians Seen		1	2	3	4-6	7-10	11-14	15+	Total	%
Services Per Patient										
20-24	Patients	232	647	1,036	3,958	1,763	109	1	7,746	2.05
	Services	5,033	13,924	22,460	86,095	38,760	2,423	24	168,719	
25-29	Patients	85	272	429	1,801	1,153	128	6	3,874	1.03
	Services	2,252	7,240	11,420	48,059	30,954	3,454	171	103,550	
30-34	Patients	27	87	161	838	691	144	13	1,961	0.52
	Services	862	2,769	5,091	26,509	21,908	4,577	424	62,140	
35-39	Patients	12	38	72	388	432	112	19	1,073	0.28
	Services	446	1,392	2,625	14,251	15,858	4,106	696	39,374	
40-44	Patients	10	18	42	210	262	95	17	654	0.17
	Services	418	750	1,747	8,766	10,964	3,973	708	27,326	
45-49	Patients	6	17	32	103	155	75	21	409	0.11
	Services	279	798	1,494	4,841	7,253	3,515	994	19,174	
50+	Patients	7	23	66	224	324	175	126	945	0.25
	Services	377	1,807	4,690	15,971	21,687	11,957	10,365	66,854	
TOTAL	Patients	379	1,102	1,838	7,522	4,780	838	203	16,662	4.41
	Services	9,667	28,680	49,527	204,492	147,384	34,005	13,382	487,137	

Note: Total number of services rendered at all levels = 2,812,874

TABLE 8

CLAIMS PROCESSING RESULTS
(BY DATE OF PROCESSING)
1980-81

CLAIMS (IN-PROVINCE)

Received from physicians	2,149,181
% Increase over previous year	1.5%
Returned to physicians	59,345
Items of service paid	2,879,338
% Increase over previous year	3.7%
Rejected claims -	
Edit	14.1%
Medical Assessment	3.4%

CLAIMS AND ENQUIRIES (OUT OF PROVINCE)

Claims paid	16,040
% Decrease over previous year	6.7%
Enquiries and non-payable claims	15,301
% Increase over previous year	32.8%

PATIENT REGISTRATION

New registrations	21,862
Registration updates	45,056
Card replacements	16,181

TABLE 9

SUMMARY OF COSTS
1969-1981

Year	Fee-For-Service Costs	Administrative Costs	Total (Cols. 1&2)	Payments to Salaried Physicians	Total
1969-70	$ 8,595,700	$ 971,800	$ 9,567,500	$ 3,667,100	$ 13,234,600
1970-71	11,333,700	772,700	12,106,400	3,635,900	15,742,300
1971-72	11,667,000	812,500	12,479,500	4,096,000	16,575,500
1972-73	13,285,500	938,300	14,223,800	4,301,300	18,525,100
1973-74	15,523,400	974,900	16,498,300	4,674,400	21,172,700
1974-75	18,401,100	1,020,000	19,421,100	4,834,400	24,255,500
1975-76	21,822,200	1,134,700	22,956,900	5,488,700	28,445,600
1976-77	24,481,300	1,191,000	25,672,300	6,775,800	32,448,100
1977-78	25,228,100	1,318,700	26,546,800	7,155,400	33,702,200
1978-79	27,761,400	1,286,500	29,047,900	6,194,600	35,242,500
1979-80	31,513,400	1,434,500	32,947,900	6,803,700	39,751,600
1980-81	37,333,500	1,619,300	38,952,800	8,684,700	47,637,500

Note: Effective April 1, 1979 responsibility for payment of salaried physicians was transferred to the Department of Health